Mr. K. S. Joseph : I would suggest that the adjournment motion fixed for today may be discussed on a non-official day.

President : But there is already another adjournment motion for the non-official day. That is Mr. Narayana Kurup's.

ANNOUNCEMENT REGARDING THE CUT MADE BY THE ASSEMBLY.

Mr. S. Narayana Aiyar : Sir, since the presentation of the budget at the Joint Session of the Sri Chitra State Council and the Sri Mulam Assembly, all the demands for grants were passed by the Assembly, subject to a cut of Re. 1 in the allotment of Rs. 1,93,31,250 under Demand III—Public Works Department including Water Works and Drainage. This cut has been accepted by Government. I beg to submit that the demands to be moved in this House be amended accordingly.

President : The P. W. D. demand was cut by Rupee one by the other House and the Government have accepted that cut. Now the general discussion commences.

FINANCIAL BUSINESS.

General Discussion of the Budget.

Mr. M. Govindan (*Nominated*) : I rise to congratulate the Financial Secretary for the very progressive budget and the lucid speech he made in introducing it. I wish not to cover the whole ground in my speech. I shall confine my speech to one or two topics, having regard to the limitations of time and the necessity for everybody to make some observations.

First of all, I will make reference to the transport. Sir, you have been kind enough to tell us today that overcrowding would be stopped. We heard it with very great joy, particularly those of us who do not own cars. If overcrowding is to be stopped it will be a great benefit. And now that there are 110 extra vehicles.....

President : But then there is another thing. I find that many of our existing vehicles were really running on dilapidated engines put together, so to say, with strings. We must discard a number of our existing vehicles.

Mr. M. Govindan : If some are to be discarded like that, it is doubtful whether the 110 extra vehicles will be enough to provide for the convenience of the travellers and to enforce the rule with regard to overcrowding.

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President: But that can be experimented. What I say is, there is a great deal of what might be called confused thinking on this matter. A particular bus may be overcrowded and people see that and are appalled. The other buses may not be so overcrowded. Let us try this experiment of not allowing a single person more than the strict rule, for a month or two. Let us see how many people we have to disappoint and how many more buses will be necessary. We shall then obtain a fair bird's-eye-view of the situation.

Mr. M. Govindan: That experiment can be made and it is very necessary.

I am told that the transport service run by the Government is to be extended to new roads. Of course, extension is for the benefit of the public. But before doing so, let us make sure whether we will be able to enforce this new rule on the roads which we already operate on. So far as the towns are concerned, I feel that even double the present number would not be enough to prevent overcrowding. I have a proposal to make in this connection. There are many private bus owners...

(At this stage, the Dewan-President left the House and the Chair was occupied by Mr. G. Ravi Varma, one of the panel of Chairmen.)

I would make this suggestion. There are many private bus owners who have no roads to operate on. Why not they be asked to supplement the services of the Sirkar. The Sirkar does not want to monopolise the service. What they have in mind is the convenience of the people. So let Government take some roads. If the number of buses is not sufficient, let us, by all means, supplement with buses of private owners. There are many private bus owners who have no right to run bus services and would be anxious to get the right. Let us make an estimate of the number of buses which will be required for operating our existing lines and then supplement the activities of Government, if necessary, by private agencies. I believe it is a very simple matter. In fact, why should the Government be so very particular that the roads in which they are running a service should not be operated by private agencies? I think that that is not the correct position for the Government to adopt, because it is the convenience of the public that ought to be their first care. That is all with regard to transport.

Now, with regard to the announcement by the Government.

(At this stage the Dewan-President resumed the Chair.)

With regard to transport, all that I wanted to say was that private owners should be allowed to supplement the work done by the Transport Department.

The next subject that I wish to touch upon is the provision made in the budget for backward communities. I have been always.....

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President: There is one matter I would very much like to see discussed here. Either in the general discussion or in appropriate places any specific and constructive suggestions as to the method of utilising the provisions of Rs. 3 lakhs and Rs. 10 lakhs made in the budget for village uplift, would be welcomed. That is a matter on which Government woud be grateful to have the opinion of the honourable members, in a kind of compendious manner. This is a matter which affects the villages and the experience of the honourable members in regard to village economy would be of the greatest possible assistance to Government.

Mr. M. Govindan: I would say somethig with regard to the expenditure of these Rs. 3 lakhs and Rs. 10 lakhs on rural uplift work. This is a considerable amount and the department which will be administering it must be considered a pucca department. At present the Protector's department is concerned with this administration. In the first place, let us not call him Protector. Let us give him some other name.

President: What is the name the honourable member would suggest?

Mr. M. Govindan: Call him Commissioner of Uplift Work, for instance;—something which will indicate that he is a big officer. Even in regard to the salary that he gets, we find that it is very low.....

President: Who?

Mr. M. Govindan: The Protector. Whoever he may be, the officer to administer this fund ought to be getting at least Rs. 500.....

President: Is he not getting Rs. 350 now?

Mr. M. Govindan: That is a small salary for the work which falls on him now. He must be made a big officer. His status must be equal to that of a Division Peishkar. And what about the Field Officers? They are getting a salary of Rs. 30 or so. Particularly now that they have got to do a considerable amount of work.....

President: From where does the honourable member get the idea that the Protector of Backward Communities is going to administer these Rs. 3 lakhs and Rs. 10 lakhs?

Mr. M. Govindan: Rs. 3 lakhs certainly is to be...

President: The idea is that those who are responsible for village administration will do their work in conjunction or co-ordination with the people of the locality. If the co-operative organisations can be utilised, Government will be very glad. On public platforms talks are made of co-operative organisations and their possibilities, but when work is given to them there is complaint. So this is just the thing for which I would request

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the guidance of this House. Do they want co-operative organisations to be utilised in this matter? Do they want special village committees and taluk committees or other committees to be set up? Do they want those committees to function with non-official or elected Presidents? Do they want the Tahsildar, the Proverthicar and the Public Health Officer to be members of those bodies, or are they merely to be assessors and advisers? That is the kind of problem with which the Government are faced and on which they woud like guidance.

Mr. M. Govindan: I find that the Government are faced with the administration problem. That was exactly the difficulty that I was also feeling. I want to make one suggestion here. Many of the questions put from the Chair are difficult questions which can be answered only after investigations are made. A roving commission with officials and non-officials should be constituted and they must make a report after touring the whole State and studying the local conditions, and the conditions of the co-operative organisations and whether they can be entrusted with this work. All the questions from the Chair may be answered after an investigation is made by a responsible body consisting of officials and non-officials. That is my suggestion.

Mr. D. Krishnan Potti (*Kottarakara and Pathanapuram* cum *Shencottah*): Before making my remarks on the budget I hope you will allow me to make a statement on the strike situation in Punaloor.

President: You can make it as part of your speech. I understand that the honourable member has been good enough to intervene in a particular strike and his efforts have been attended with some success. We have every reason to congratulate him and Government congratulate him. But you can make your statement as part of your speech.

Mr. D. Krishnan Potti: This is our post-war budget. The end of the war just means the end of military operations only. The problems created by the war are greater now. Some of the questions have to be nursed and brought up; others have to be destroyed. Much work of weeding and selection has to be done. Economic, social and political problems which the war created, remain unsolved. The inflation of currency has not yet been brought under control. Prices competing with wages and mounting cost of living—these are more active today than even during the period of the war. The general discontent is manifesting itself in labour strikes on the one side and commercial speculation on the other. Both are dangerous tendencies. After negotiations with the parties and with the helpful attitude

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[Mr. D. Krishnan Potti]

of the Government and Labour and through the good offices of the Inspector-General of Police, I am glad to say that a settlement has been arrived at. I hope the strike will be called off today and regular work resumed shortly. Stabilization of the labour forces and other economic disturbances demand greater imagination, efficiency and trust which I am afraid this Government as constituted today cannot call forth to a sufficient degree. I am happy therefore to suggest that the constitutional reforms announced will be inaugurated as early as possible in Travancore. All its shortcomings when worked in the spirit of co-operation will be removed and I believe it can help greatly in mobilising mass energy along more constructive lines. The lump sum grant of 1 crore and 10 lakhs for Village Reconstruction is perhaps the most striking feature of this year's budget. In the recent Madras Budget Session there have been much criticisms about the provision of lump sum grants in the Budget. To the extent that there is some lump sum provision or other, it shows that there is a lack of policy in that particular matter. There is absolutely no planning involved in the provision of lump sum grants. I wish that the Post-war Reconstruction committee will remedy this defect and that it will start a regular plan for expending this amount.

President: There is no vagueness on this point. The plan is very simple. A certain number of selected villages has to be chosen and the imperative and immediate needs of those villages should be catered through the instrumentality of such agency as the people of the locality themselves would prefer to bring into existence.

Mr. D. Krishnan Potti: Sir, I hope the Village Reconstruction Committee will chalk out a plan after considering all the facts of this problem. I would like to stress one aspect of the matter. No plan of Village Reconstruction can effectively be put into operation unless there exists in the villages a strong local organisation. Each pakuthy must have a separate local organisation or union as the case may be. Such village unions must be given ample administrative powers and should have independent revenue resources. With such a background each local organisation can play a great part in maintaining the future social order. That will have a tremendous educative value and will help the masses for getting a training in the art of self-government which is so essential for the proper working of democratic institutions. Again, the modernisation of agriculture and the development of cottage industries, so as to be able to compete in this modern industrial era—all these require more collectivisation. The small scale peasant farming has to be replaced by an attempt at collectivisation.

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President: What is the honourable member's suggestion on that matter?

Mr. D. Krishnan Potti: That has to be experimented on a co-operative basis as is done in the Punjab.

President: That experiment has been suspended in the Punjab.

Mr. D. Krishnan Potti: Then we shall begin it here. A large scale farming on a co-operative basis must be attempted here. Village Unions, Village Panchayats and village co-operation—these are the instruments through which village reconstruction can be effectively done. More than outside help, what is wanted is to teach the villager to develop himself on the natural resources that are available in each village. A more efficient method of farming and a more modern method of administering social service to the State are the ways in which this scheme has to be worked. The sinking of a well here or the opening of a dispensary there are only of secondary importance in my view, when compared with the major problem of properly organising the villages. I hope and believe that this aspect of the problem will be borne in mind in making out a plan for expending the provision of Rs. 13 lakhs towards village reconstruction.

Mr. K. S. Joseph: Sir, in the first post-war Budget that we have, there is a large sum at our disposal and the Dewan and the Financial Secretary have been inducing in us and have been expressing the hope that, in future budgets, revenue is likely to be increased and that there need be no fear that it might go down. I am afraid I am not able to be so enthusiastic or optimistic in that view because looking at the various heads of income, the largest item seems to be from Abkari which has more than doubled itself during the war years. Of course this is a time of boom and the people have plenty of money and probably they believe in enjoying whenever they have money and as a result the arrack and toddy shops have gone up so much in rent that the values have more than doubled, nearly two crores. The income from the Cochin harbour has also increased as a result of the war.

President: That is not quite accurate. The income from the Cochin harbour will increase much more hereafter because there were a large number of imports and exports which were absolutely left untaxed on account of war conditions and which will now be taxed and the harbour receipts will be enhanced greatly.

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Mr. K. S. Joseph: If that is so, we will be very happy. Then income from the railways, income from forests, income from the ceramic factory have all been augmented twofold and threefold in some cases as a result of war and the high level of prices.

President: I do not want to interrupt the honourable member, but I will say this much. So far as the forest revenue was concerned, fortunately or unfortunately, this State was one of the very few units in India which did not supply to the war. There was a definite policy that as far as possible, supplies should not be made for war purposes from here. It arose from a pure accident that the Government of India made up their minds to engage only certain contractors and this Government said that if that were the case we would be perfectly willing to sell to the Government of India direct rather than through the contractors. The Madras Government also said likewise. We told them that we will not sell to contractors but would be perfectly willing to deal with Governments direct. Both the Governments did not want such a procedure. So we have given very little so far of the timber of our forests, but all timber has gone from Cochin, from Madras and from the United Provinces. Therefore very little went to the war from Travancore and I may say to the honourable members that in the next two or three years, the forest revenue will be in the neighbourhood of a crore of rupees.

Mr. K. S. Joseph: But all the same I would try to bring to the attention of Government that we must be prepared for deflation and lean years. Sir, the Dewan will agree with me when I say that the tariff prices of teak and other timber have gone up almost threefold. What was sold at 16 to 20 annas per sq. ft. has now gone up to 100 annas per sq. ft. Therefore the revenues shown are due only to inflated prices and naturally this state of affairs may continue for a period of three or four years at the most. But after that, as has happened last time, when the economic depression sets in, all these price levels will terribly go down and we may not be so happy as we are at the present time. Both the Dewan and the Financial Secretary told us that we have every reason to be optimistic in view of the various industrialisation programmes that the State has undertaken. But while hearing about this for the last 2 or 3 years, unhappily through world conditions and other things, we have not been able to realise anything yet. Still we have a few industrialisation schemes which before the war were not working very successfully. I refer to the rubber factory and the ceramic factory. Before the war they were not very successful

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and I do not know what amount of success is going to attend these new industrial schemes. It is good to be optimistic but let us wait and see how they develop. Incidentally I am forced to remark that by launching all these industrial programmes, the State has become more or less a capitalist and I wonder how far they will be able to hold the balance between capital and labour.

The next point that the Dewan referred to was the Catholic agitation, regarding the compulsory primary education scheme. I may inform the Dewan that in this mater of compulsory primary education and private institutions, the Catholics are not alone. It is an all-Christian demand.

President : How does the honourable member say that, having regard to what is taking place in South Travancore ?

Mr. K. S. Joseph : I am just coming to that. The Dewan told us that the London Mission and the Salvation Army gave up some of their schools to Government in order to co-operate with Government policy. But so far as I am aware they gave up their institutions because they found it difficult to continue without Government help in the form of grants to their schools. So they found that discretion was the better part of valour. The other Christian denominations are as anxious as the Catholics to continue their institutions.

In fact I may say that for a Christian, the carrying on of education is one of the primary objects and I may say that it is a primary commission that he has from his master.

Education has always been the sphere of Religion. Whether it is the Maharshis in India or the Monks in the west, education has been from the earliest times in the hands of religious people. States, Kings, and Emperors have no doubt given every help, but they have not cared to take these directly under their management. Even today, the vestiges of the University dress show the robes worn by the monks of olden days—a proof that they had been taking up the work of education. As I said, the Church cannot give it up. It looks upon it as its primary duty. In a State like Travancore, where there are two thousand private schools already existing and a thousand odd schools more to be established—in the words of the Education Reorganisation Committee "a school to every child"—it seems to me that the wiser course would have been to establish these thousand schools with the co-operation of private agencies that would be willing to come forward, first.....

President : I take it that the honourable member wants the Government to pay the whole salary of the teachers

Mr. K. S. Joseph : Yes, Sir.

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President: When the honourable member says that the private agency's help should be taken, I take it that the whole salary, that is, Rs. 25 should be paid by the Government—is it not so?

Mr. K. S. Joseph: Certainly, Sir.

President: That is, they should run the school and the Government should pay. Is that the idea?

Mr. K. S. Joseph: There is a suggestion in the report of the Education Reorganisation Committee that 75 per cent of the salary of the teachers should be given by the Government. I entirely agree with that recommendation of the Committee.

President: Order, order. That discussion is not allowed. The honourable member will see that on the 18th August 1945, this Council resolved that the Government may be pleased to take the necessary steps for the control and management of the primary schools in the State as a preliminary measure to the introduction of compulsory primary education. 30 honourable members voted for the motion; 4 voted against and one remained neutral. The rule is that until a year has elapsed (that is until 18th August 1946 in this case) no discussion on a matter on which this House has given a final opinion could take place on the floor of the House.

Mr. K. S. Joseph: I am not raising a discussion, but I am just pointing out the stand of the Christians in this matter.

President: Honourable member will proceed.

Mr. K. S. Joseph: Therefore, if at all, it was necessary to take the private schools, it could have been done after the establishment of the other schools that are needed for enabling the State to take every child to the school, as it has been put by the Director. The other question could have been taken up later. If that were done, I suggest, primary education would be an accomplished fact within 5 years. It seems to me that in this matter we have acted or begun at the wrong end by taking over existing private schools when there are so many schools to be established by the Government.

I may also say that the word "agitation" has been put on it wrongly. It was not really *agitation*. But when this legislature adopted two resolutions about it, public meetings were called up in order to crystalise Christian opinion on the matter. Before public opinion .....

President: I do not think it is correct. The memorials that were sent to His Highness and to the Government took up a different line. It was really *agitation*, because they said that there is no use of discussing things unless so and so is removed from the Dewanship. On that ground, they said they

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could not discuss the question of primary education. No doubt, they are perfectly entitled to think so, but to say that it is not "*agitation*" is not correct.

Mr. K. S. Joseph: What I say is that before opinion could crystalise and the resolution of the Legislature had become an accomplished fact, the continuation of the process of forming an opinion became an "agitation". Before Christians could crystalise, Government had taken a definite action on it and, therefore, afterwards it became *agitation*. And then.....

President: Two years before they took action, Government announced that they would take primary education under their control.

Mr. K. S. Joseph: Two years before, I announced in the course of the budget discussion in the House that it was a matter attended by many complicated questions and that the Chrisians in general and the Catholics in particular had definite notions regarding that matter. I then warned the Government that they should go into the working of the scheme very carefully. I then also suggested to the Government that the law sanctioning the undertaking of compulsory primary education should be brought in the form of a Bill before the Legislature. The Dewan did promise that the report of the Education Reorganisation Committee would be before the House and that public opinion on it would be gathered.

President: It was placed before the House and the House has discussed it.

Mr. K. S. Joseph: It was placed before the House, but it was never published in the Press or to the public at large before discussion.

President: Was it so, Director?

Mr. A. Narayanan Tampi: It was published.

Mr. Kainikkara M. Padmanabha Pillai: There is evidently some confusion of thought. Because the Legislature has to meet in Karkatakom, with a view to give the members ample time to study the Report, advanced copies had to be sent to them even before it was formally submitted to the Government. Therefore, consistent with official formality, those copies were marked 'confidential'. This led to a mistake in the understanding of the real situation. Thus, a few days after the issue of the copies to the members, the report was formally submitted to Government and was published. Thus, it may be noticed that it was available to the public long before the meeting of the Legislature.

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Mr. K. S. Joseph: And then the Dewan promised to this House that legislation would be through the Houses of Legislature. But it so happened.....

President: Order, order. The honourable member is going back against the decision of the House. Whether the procedure that was adopted by the Government is right or wrong, this House has passed resolutions that the Government may be pleased to take necessary steps to take over the whole control and management of primary education as a compulsory measure for the introduction of the scheme of compulsory primary education. That is the definite decision of the House. You cannot speak about it for an year. Afterwards, you can.

Mr. K. S. Joseph: What I said was that the Dewan had promised to bring the matter before the Legislature for the purpose of passing a law.

President: Order, order. That is past history. The Government have resolved that they should take steps for the control and management of all primary schools.

Mr. K. S. Joseph: I said that the assurance was that legislation would be brought through the Legislature. A proclamation was issued after the resolution.

President: The Proclamation was issued on the basis of this resolution.

Mr. K. S. Joseph: The Christians continued their schools particularly with a view to provide the necessary moral atmosphere and I find even today that hundreds of Hindus and other Non-Christian parents care for the atmosphere provided in the Christian Schools. They send their children after giving a regular undertaking that they want the children to be educated in those schools.

The next point the Dewan touched about was the constitution of India in general and of Travancore in particular.

President: That cannot be discussed on the floor of the House.

Mr. K. S. Joseph: I am not going to discuss the constitution, but I wish to make a suggestion about it. We have been told today, and even before that, what is envisaged in the future Constitution is an irremovable Executive.

President: Order, order. You have no right to speak about it. Honourable member will realise that the same ruling was given and accepted in the other House. Whether a removable or an irremovable Executive is desirable, under the present state of law, it is entirely for His Highness to decide. Though there may be public agitation about it, or articles in the newspapers, under the laws which govern us, under the legislative rules, this is not open to discussion here.

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Mr. K. S. Joseph: I suppose I can make a statement and say that it is not acceptable.....

President: No, the question cannot be referred to or discussed. No matter involving any constitutional reform can be referred to or discussed. It may be a right or wrong procedure. But our law is perfectly clear. Under Section 17 of the Act, no matter relating to the constitution is open to discussion on the floor of the House.

Mr. K. S. Joseph: I quite understand that position. That is, if I am agitating for a change, I have to be prevented. I quite understand that. But so long as there is no definite constitution before the House, I may be allowed my opinion on any matter which I think.....

President: Honourable member is perfectly entitled to say that in the opinion of the honourable member an irremovable Executive is an unworkable scheme.

Mr. K. S. Joseph: That is just what I wanted to say. I and my party think that an irresponsible and irremovable Executive.....

President: Order, order. They are not irresponsible. They are responsible because the Executive is bound to carry out what the Legislature says on big or small questions, on the day to day administration, on the framing of the budget, etc. On every pie to be spent and on every department, the decision of the Legislature is binding on the Executive. Only they cannot be removed.

Mr. K. S. Joseph: In this connection, I would refer to the course of Legislation that we had in the course of the last few years. In 1108 twelve Laws have been passed, out of which ten were passed by the Legislature and two by the Sovereign. In 1109 there were six Acts in all; four were passed by the Legislature and two by the Sovereign. Seven laws were passed in the year 1110—five by the Legislature and two by the Sovereign. The number of Acts passed in 1111 was five, out of which four were passed by the Legislature and only one was passed by the Sovereign. Out of the fourteen laws passed in 1112 only one was passed by the Sovereign and the rest were passed by the Legislature. In 1113 out of the five laws passed, three were passed by the Legislature and two were passed by the Sovereign. In the following years also the majority of laws were passed by the Legislature and only a very small number of them were passed by the Sovereign.

President: Order, order. The honourable member wants to say that the Sovereign has passed more laws.

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Mr. K. S. Joseph: I want to say that Government have been advising the Sovereign to pass these laws directly even though in the constitution there are methods given whereby emergent legislation could be done. There is provision under Section 24 of the Act. That is, the Dewan is empowered to draft a bill and place it before His Highness for Sign Manual and publish it in the Gazette; and it would be law for a period of six months. If emergent legislation was required, Government have ample powers to meet it, without advising His Highness to resort to extraordinary powers.

Mr. K. G. Kunjukrishna Pillai: Sir, on a point of order.

President: Order, order. It is not open to discussion. (President's bell) Mr. Park.

Mr. K. S. Joseph: I never criticised His Highness or his actions. I find fault with the advice that the Government gave to His Highness. I am definitely finding fault with the advice given by the Government in promulgating these laws. In the year 1119, 23 laws.....

Mr. K. G. Narayana Panicker: May I know whether the views he has expressed are his own views or views of the political party?

Mr. K. S. Joseph: The political party has expressed its views in a resolution and it has demanded.....

President: You have exceeded your time. You have spoken for 23 minutes.

Mr. K. S. Joseph: Sir, it was between us two.

Mr. M. Govindan: Mr. Park was already called.

President: Order, order. I don't think it is fair. If the honourable member renders it incumbent upon the Chair to interrupt the honourable member because of statements made by him, the chair cannot help it. I don't want to restrict, because you represent a party. I shall give three or four minutes more. The only thing is that all the honourable members together have got only one hour more.

Mr. K. S. Joseph: Therefore, we find that the powers the Government are using are always.....

President: I am perfectly willing to have a division. As a kind of no confidence upon the General Administration, with regard to this question, whether Government were giving wrong dvice to His Highness on the matter of passing Laws or not. I m perfectly willing to have a division.

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Mr T. W. U. Park (*The Travancore Planters*): I listened to the Financial Secretary's speech with great interest and I congratulate him on the dexterity with which he sought to guide us through a maze of figures. I am one of those to whom figures mean very little until they are presented in tabular form so that one may add and subtract and compare at one's leisure and so, as usual, I have found the Budget memorandum most useful. However, I might suggest that the Memorandum be simplified still further and that all unessential details and explanations be cut out.

I learn with great interest and approval the proposals included in the Budget for Village Uplift and rehabilitation and I congratulate Government on its vision and wisdom in this regard. I suggest, however, that expenditure should not consist merely in a series of grants but that ample provision be made for propaganda work among the villagers towards inculcating a spirit of self-help. I consider further that the necessities of life must be provided before amenities, however desirable the latter may be ultimately. I think it would be a good thing if we could have, soon after the close of each year, a kind of Administration Report on the working of the Scheme, with full details: such a report, if timely, would serve to maintain and stimulate the interest of the people at large in village uplift generally.

I now come to a subject which more closely affects me. It is my unhappy lot year after year to have to discuss Income-Tax; in fact it has become a very hardy annual. But I don't wish to dwell too long on the subject. I am more concerned in the first instance with those provisions of the new Income Tax Act which affect a particular class of assessees, namely those with fixed salaries. Under the new Act a certain proviso which was found in the previous Act—Act X of 1119—and is still in force under the Indian Finance Act of 1946 has been omitted, perhaps inadvertently. That proviso had the following effect: In the case of those tax-payers whose income consisted of salary and from whose salaries income tax had already been deducted at source, in advance for the following year, the tax payable by them was at the old rates for one more year. Afterwards tax was collected at the new rates. In the absence of the specific relief to which I refer, Government, under the powers granted under Section 107 of the new Act, may be pleased to grant similar relief.

Mr. K. G. Kunjukrishna Pillai: Sir, the honourable member said that this amendment was proposed inadvertently. I shall correct him by saying that it was not omitted inadvertently but deliberately.

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President: Order, order. I have not heard a single word of what the honourable member was saying.

Mr. T. W. U. Park: I am sorry.

President: Order, order. I suppose honourable member realises that the Income Tax here is roughly between three-fifth and three-fourth of the British Indian rates. Honourable member will also realise that in the adjoining state of Cochin they are realising the full rates as in British India.

Mr. T. W. U. Park: Sir, the next point I would urge upon the attention of the Government is that since Agricultural Income tax has now been brought up to the same level as Commercial Income Tax, the Export Duty on tea and rubber may be suitably modified and in fact abolished.

President: Order, order. There again, the question of export duty has been very carefully considered by this Government. Now that this question has been raised, I may make the position clear. Government realise that in the coming years, it would be necessary to stimulate export of our primary products. They also fully realise that there may be drawbacks in the system of export duties. But the question of export duties is bound up with our Interportal Agreement, which in the opinion of this Government is wholly inequitable from the point of view of this Government, because this Government gets as a recompense for giving up its plenary rights of taxation, a compensation only of Rs. 40,000 a year, based upon a total trade of about a crore of rupees. But the total trade of Travancore is today in the neighbourhood of Rs. 40 or 50 crores. That is the amount we are getting. The question of import and export duties has therefore to be discussed with the Government of India with advertence to this. This Government's idea is that not only the Export Duties should be abolished, but as far as possible, there should be only two or three taxes in the State. One would be an Income Tax put on a fairly high minimum. The other will be a Sales or Purchase Tax, not on necessaries of life but on the amenities and luxuries of life omitting articles of fundamental needs such as ordinary foodstuffs and clothing. Thus there will be a Sales or a Purchase Tax, and certain customs which will have to be imposed by this Government in consonance with the All-India policy of customs. Government do not want to get more than an income of 6 crores and at the same time, do not want to spend more than 5½ crores a year. They are trying to develop a state of affairs in which every man will be able to say that he has to pay only one or two taxes. The decision in regard to this matter is to be reached after discussion with the new Government of India.

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Mr. T. W. U. Park : I am very grateful for this elucidation from the Dewan.

There is only one other matter on which I wish to speak now and that is Labour. The other day I read a most suggestive article written by Mr. Eric Johnson, who is recognised in America as an expert in Labour Management relationships. In a careful analysis of strikes and their causes Mr. Johnson concludes as follows, if I may be permitted to quote: "This community of interests and these common objectives can be served only through greater production of all those things which make for better living. The consumer, the worker, the investor, must all share equitably in the fruits of increased production. Their respective shares must be lower prices, higher wages, sounder profits. Steady, uninterrupted production will give us these things. Strikes will not." My own feeling in the matter corresponds with these principles. The functions and objectives of Trade Unionism should be collective security and collective bargaining but not collective coercion.....

President : Order, order. The House will now adjourn and meet again at 2 o'clock.

The House adjourned for lunch at 1 P. M.

The House re-assembled after lunch at 2 P. M. with the Dewan-President in the Chair.

MEMBER SWORN.

Mr. C. Kumara Das, Secretary to Government, took the oath and signed the Rolls.

Mr. K. A. Raman Pillai : Sir, for General Discussion, half a day more may be given. Last year there was a precedent.

President : Today that cannot be given.

Mr. K. A. Raman Pillai : The House may be allowed to go on with the General Discussion till 1 P. M. tomorrow.

President : If the honourable members want to sit till 5'0 clock, I have no objection. But the Rules cannot be changed. There can be discussion for 1 or 2 hours more today.

Mr. N. Narayana Kurup : Sir, the House may be allowed to continue General Discussion till 1'0 clock tomorrow.

President : If honourable members want it, I have no objection. Is that the wish of the honourable House?

(The House was in favour of it.)

Until lunch tomorrow, General Discussion of the Budget will go on.

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